

Top Secret

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NATIONAL INTELLIGENCE DAILY CABLE

Saturday June 12, 1976

CI NIDC 76-138C

NATIONAL SECURITY INFORMATION

Unauthorized Disclosure Subject to Criminal Sanctions

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DIA review(s) completed.

State Dept. review completed

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National Intelligence Daily Cable for Saturday, June 12, 1976.

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[REDACTED] The NID Cable is for the purpose of informing senior US officials.

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LEBANON

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[REDACTED] No progress has been made toward implementing the Arab League's proposal for a joint Arab peace-keeping force for Lebanon, and considerable confusion surrounds the status of the force.

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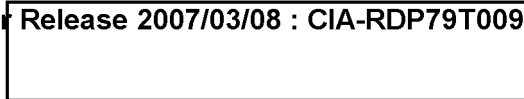
[REDACTED] League Secretary General Riyad took Sudanese, Lebanese, and Saudi military delegates with him to Damascus yesterday to discuss details of the force, announcing that the size and disposition of the Arab contingents are still to be negotiated with Syria and the Lebanese parties.

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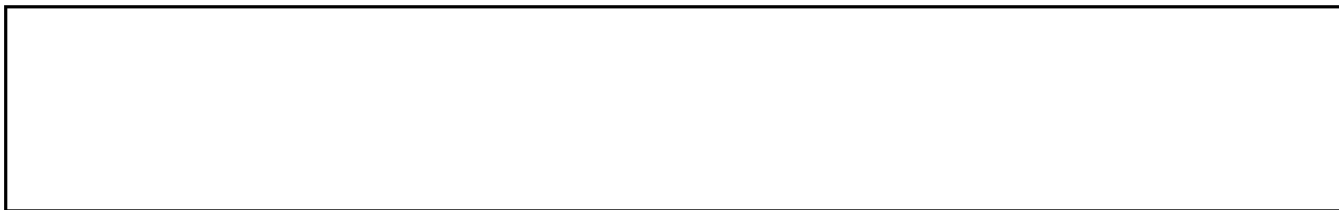
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[REDACTED] Despite press reports indicating that Libyan and Algerian troops entered eastern Lebanon from Syria on Thursday, there is no evidence that either contingent is in the country. We have seen no signs that Algerian forces have yet left home.

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[REDACTED] Lebanon's Christian leadership continues to oppose Arab League intervention. Interior Minister Shamun vigorously backed President Franjiah's intransigent line in a statement issued Thursday, and even the usually more conciliatory Maronite patriarch has echoed Franjiah's rejection of Arab League involvement.

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[REDACTED] Phalanges Party leader Pierre Jumayyil warned yesterday that the intervention of Libyan and Algerian troops would risk drawing the Israelis into southern Lebanon. Jumayyil accused the Arab League of trying to turn Lebanon into a "confrontation state" against the wishes of the Lebanese themselves.

Asad's Position

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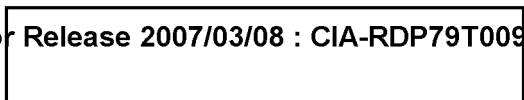
[REDACTED] The dramatic turn of events this week clearly brought home to President Asad that he cannot put too much distance between himself and the other Arabs in pursuit of Syrian goals. Asad has had to do some rapid fence-mending on both the right and left, and his aspirations to pan-Arab leadership have suffered at least a temporary setback. Nevertheless, Asad may not be as beleaguered now as he appeared to be when his crackdown on the Palestinians first met heavy resistance.

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[REDACTED] Despite the external pressures that have built on Asad and his admitted miscalculation of the Palestinian reaction to Syria's military moves, Asad continues to play his military and

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diplomatic cards adroitly. The Palestinian and leftist forces in Sidon and Beirut are under siege and their principal forces in the mountains east of Beirut have been driven back to defensive positions.

[REDACTED]

[REDACTED] On the diplomatic front, Asad has managed so far to finesse both the Arab League mediation effort and the more narrow Libyan ploy of drawing Syria into a so-called "rejection front" collaboration with Libya, Algeria, and Iraq. Asad's quick agreement to accept Algerian and Libyan mediators was an acknowledgement that he could not act with complete independence, but it also split Algeria and Libya from Iraq.

[REDACTED] The Libyans and Algerians are no doubt aware that they have put themselves in a position in which they can be manipulated by Asad. They may conclude that their involvement in the Lebanese morass is jeopardizing their credentials with the Palestinians and they might yet opt out of playing a direct role. Each, however, has compelling reasons for wanting to be identified with the achievement of a durable cease-fire, even if it is largely on Syrian terms, and for drawing closer to Syria.

[REDACTED] Algeria's relations with several Arab states have cooled over the Western Sahara issue, and Libya has been isolated in the Arab world for some time. They see mediation in Lebanon as a means of refurbishing their pan-Arab credentials. They also recognize that Syria holds the key to future Middle East peace negotiations and want to be in a more effective position to influence broader Arab strategies.

[REDACTED] If Asad is now in a position to exploit Algerian and Libyan ambitions, he is paying the price of renewed pressure from Iraq. Asad is genuinely concerned by Iraq's latest military moves, and probably believes he has spread himself militarily thin.

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[redacted] The Iraqis may well have overplayed their hand, however, and Asad may be able to make substantial political capital out of their actions. Baghdad's posturing and its demonstrated eagerness to take advantage of any unrest in Syria are likely to reduce pressure on Asad from the conservative Arab states--notably Saudi Arabia--which are now more alarmed at the possibility that Asad may be in jeopardy. [redacted]

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SYRIA-IRAQ

25X1 [] //The crisis in Lebanon and pressure by Iraq on Syria's eastern border have forced Damascus to draw upon its forces on the Golan Heights to meet both military contingencies.//

25X1 [] //The US defense attache in Syria saw an SA-6 missile brigade and an armored brigade moving north between Damascus and Al-Qutayfah yesterday and believes they may be destined for the Iraqi border.

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25X1 [] Baghdad obviously is now more interested in trying to intimidate Damascus into ending its military action in Lebanon than in contributing troops to a pan-Arab peace-keeping force. Baghdad is aware that the movement of two Iraqi divisions to the west is interpreted in Damascus as a military show of force in spite of Baghdad's public statements that Iraqi forces would not enter Syria unless Damascus gave its approval.

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[redacted] Iraqi leader Saddam Husayn, in statements to the press, has been linking Iraqi troop movements with renewal of the war with Israel, but we see this as blustering intended for home consumption. [redacted]

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UGANDA

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[redacted] //President Amin apparently survived an assassination attempt Thursday night when several grenades exploded near him as he left a police graduation ceremony. He has not appeared in public since the incident, [redacted]

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[redacted] //Kampala apparently remains generally calm, although there have reportedly been some troop movements in and around the city. Several persons, including some army and police officers, have been arrested. As many as 12 people, including two of the assassins, may have been killed in the incident.//

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[redacted] Ugandan radio charges that the grenades were "American and Israeli types." Both the US and Israel have been frequent targets of Amin's verbal blasts, and the community of 85 Americans in Uganda has been harassed by the Kampala government in the past. The US closed its embassy in Kampala in 1973, and Amin, a Muslim, broke relations with Israel in 1972.

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[redacted] Amin is almost certain to take revenge against those he believes responsible for the incident. This could include members of his bodyguard and tribal opponents in the armed forces and among the civilian population.

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[redacted] Amin may also make threatening moves against neighboring Tanzania and Kenya, perhaps launching small cross-border attacks. //Both countries regard the erratic Ugandan leader as a threat to their security and have given aid and sanctuary to dissident Ugandan exiles.// [redacted]

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PAKISTAN-AFGHANISTAN

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[REDACTED] Pakistani Prime Minister Bhutto's four-day visit to neighboring Afghanistan, which ended yesterday, apparently reinforced the trend toward improved relations between the two countries.

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[REDACTED] Few details are available yet on Bhutto's talks with Afghan President Daoud, but public remarks by the two leaders and a joint communique issued yesterday indicated both wanted to improve relations. Daoud accepted an invitation to visit Pakistan, although no dates were announced.

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[REDACTED] Bhutto and Daoud agreed on a "step-by-step" approach for tackling bilateral problems. The communique stated that they agreed to extend their recent suspension of unfriendly propaganda. They may also have decided to increase economic ties and travel between the two countries.

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[REDACTED] It is unlikely that they reached any formal accord on the "Pushtunistan" territorial dispute--their main area of disagreement. [REDACTED]

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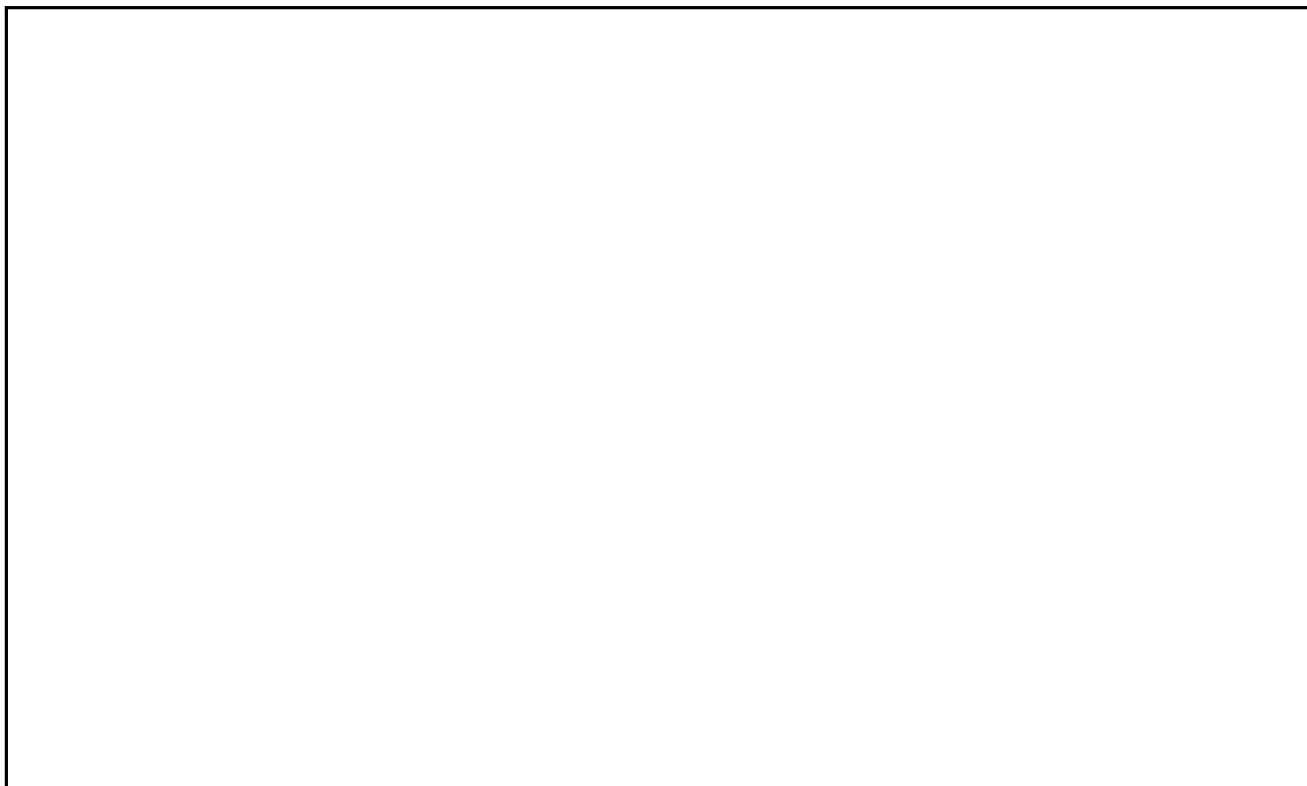
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MAURITANIA

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[redacted] Mauritanian security forces reportedly have killed or captured all members of the main Polisario Front guerrilla group that conducted the attacks on Nouakchott early this week.

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[redacted] According to US embassy sources, Mauritanian troops intercepted the group on Wednesday about 80 kilometers (50 miles) north of the city. The leader of the group, who was among those killed, was reportedly the Front's secretary general, Motramed el Ouali.

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[redacted] Morocco has condemned the Polisario attacks on Nouakchott and has cautioned Algeria, which provides support to the guerrillas, not to underestimate Rabat's willingness to aid the Mauritani-
[redacted]

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25X1 [] El Ouali's death probably will have little impact on
the Polisario Front's policy. It will continue its campaign
25X1 [] against the Moroccan-Mauritanian partition of Western Sahara.

CANADA

25X1 [] //The visit to Washington next week by Joe Clark,
leader of Canada's opposition Progressive-Conservative Party,
comes at a time of rising popularity for his party. A Gallup
poll released last week showed his Tories leading Prime Minister
Trudeau's Liberals by 12 percentage points--43 percent for the
Tories to 31 percent for the Liberals.//

25X1 [] //The Tories' popularity is mainly the result of
growing public disenchantment with an incumbent administration
that is viewed as unresponsive to the people after eight years
in power. Trudeau's reluctance to take decisive action in the
face of several scandals has also opened his government to
charges of corruption and arrogance.//

25X1 [] //Part of the Tories' recent revival is a product
of Clark's fresh and vigorous image. A dark-horse until the end
of the recent Tory leadership campaign, Clark won a fourth-ballot
victory at the February convention as a compromise candidate.//

25X1 [] //At 36, he is the youngest leader of a modern na-
tional party in Canada and the first bilingual Tory leader. A
former journalist and professor of political science, the Alber-
tan has been a member of Parliament for only three years.//

25X1 [] //Clark will be hard-pressed to maintain momentum
for the party until the next election, tentatively scheduled for
1978. He faces a shrewd adversary in Trudeau, who will give high
priority to revamping the Liberals' position. Trudeau will shake
up his cabinet this summer in order to remove deadwood and polit-
ical liabilities.//

25X1 [] //Clark's most important task will be to shake his
party's losing image. In the last half century the Tories have
been the traditional minority party, governing for only 11 years
during the period. They currently hold only 96 of the 264 seats
in Parliament. The Liberals have 140 and the small opposition
New Democrats 28.//

25X1 [] //Clark has already begun to patch up long-standing intra-party differences and is developing a more effective party organization by assigning politically experienced individuals to key positions. He is also traveling extensively to gain exposure and to organize on the provincial level. Clark's fresh political style is likely to be the Tories' greatest asset.//

25X1 [] //Also working in the Tories' favor is a redistricting, scheduled to go into effect in June 1977, which will enlarge the Commons by 18 seats. Nine of the new seats are located in the Tory-dominated west and only one in the Liberal stronghold of Quebec.//

25X1 [] //Among the Tories themselves, Clark is considered a progressive who is expected to attract some Liberal supporters by steering the Tories on a more leftward course. Clark has said that the next campaign will not merely be based on criticism of Trudeau, but he has deferred formulating a party platform pending the outcome of extensive public polling. Several themes are beginning to repeat themselves in his pronouncements, however, and are likely to remain central to his quest for power. These are:

--Greater stress on free enterprise principles.

--Decentralization of power from Ottawa to the provinces.

--More openness in government.//

25X1 [] //Clark has been generally positive in his few comments on the sensitive issue of US-Canadian relations. He has said that Canada's most important relationship will always be with the US. In addition, Clark's views on economic relations between Canada and the US seem more favorable to the US now than Trudeau's views. Clark also has said that Canada is not bearing its share of the NATO defense burden. []

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NAMIBIA

25X1 [] The multiracial conference organized by South Africa last fall to devise a constitution for Namibia made no significant progress in a brief plenary session last week.

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[] After three days of reportedly tense discussion between white and non-white delegates, the only resolutions adopted merely asked Pretoria to exempt Namibia from some of the apartheid rules that at present apply there as they do in South Africa proper.

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[] Prime Minister Vorster's government is anxious that the conference show as much progress toward self-determination as possible by late August when the UN Security Council is to take up the Namibia issue again. The UN has for years been trying to get South Africa to yield the administrative control of the territory, mandated to Pretoria by the League of Nations.

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[] Pretoria's goal for Namibia appears to be independence under a loose federal system that would maintain control by the white settlers, who comprise about 12 percent of the population. The first two plenary sessions of the conference seemed headed in that direction.

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[] By last March when the third session met, however, the goal had begun to slip. Delegates from smaller indigenous tribes and mulatto groups, who have feared that a unified, popularly elected government would be dominated by the major Ovambo tribe, were considering proposals for a unitary state and also advocating that non-white political parties be represented in the conference.

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[] At least some of the non-white delegates have come to favor inviting spokesmen for the South-West African People's Organization, even though most of its members are Ovambos. SWAPO is the only Namibian nationalist group recognized by the UN and the Organization of African Unity.

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[] Last month Vorster told the South African parliament that, although he abhorred SWAPO, he would not ban its spokesmen from the conference, if the present delegates chose to invite them. Subsequently, however, a leading member of the white delegation to the conference--drawn from the territorial branch of Vorster's National Party--said publicly that a SWAPO delegation would never be admitted.

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[] According to a South African official, formal conference resolutions--the only proceedings to be published--must

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have a consensus of the 12 participating delegations. Using such procedural rules, the white settler delegation appears to be maintaining basic control of the conference while conceding some softening of existing apartheid regulations.

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MEXICO

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[REDACTED] //The Echeverria government, alarmed about recent killings and kidnappings by the extremist 23rd of September Communist League, has created a new police unit to deal with terrorism.//

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[REDACTED] //This year, the 23rd of September organization, which probably numbers 50 to 75 Marxist extremists, has killed 20 policemen in Mexico City and kidnaped the Belgian ambassador's daughter. The government is worried that the terrorists will try to disrupt the presidential election on July 4.//

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[REDACTED] //The new police unit, which will operate primarily in Mexico City and the nearby state of Mexico, numbers 240 men drawn from the Federal Security Directorate, the Federal Judicial Police, the military police, and police units from jurisdictions near Mexico City. An official from the Security Directorate, the government's chief intelligence agency, will head the new unit. [REDACTED]

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USSR

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[REDACTED] Moscow is again expressing interest in a Soviet-US understanding on arms control in the Indian Ocean. Earlier this week, General Secretary Brezhnev publicly called on the US to forego building bases in the Indian Ocean and asserted the USSR has no intention of establishing bases there.

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[REDACTED] Other Soviets have elaborated on this theme. In the most forthright statement on arms control in the Indian Ocean to appear in the Soviet media, a recent *Pravda* article by Yury Zhukov stressed the importance of talks between the USSR and the US on "ways to liquidate military bases and limit naval forces in the Indian Ocean." A staff member of the USA Institute later told a US embassy officer in Moscow that the Soviets were especially interested in discussing mutual restraint in constructing shore installations.

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[REDACTED]

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[redacted] //Moscow may feel that it will be unable to match US shore facilities. The USA staffer suggested as much when he commented that Moscow's political and legal access to the facilities it now has in Somalia are not as secure as US rights to Diego Garcia and that the facilities themselves are nowhere near as extensive as those planned by the US.//

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[redacted] //The interest in arms control in the Indian Ocean is in keeping with the effort the Soviets have been making since the 25th party congress to portray themselves as the great power most interested in disarmament. In the months since the congress, the Soviets have been pushing a wide variety of disarmament measures. Just this week they made minor concessions and presented force data at the MBFR talks.//

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[redacted] //The Soviets may be trying to convince Indian Prime Minister Gandhi, currently in the USSR on a state visit, that they are not responsible for the arms competition in the Indian Ocean. [redacted]

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USSR-FRANCE

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[redacted] The recent defense statements by French chief of staff Guy Mery have been sharply criticized in the Soviet press. An authoritative commentary by "I. Aleksandrov" in *Pravda* on Wednesday charges that Mery's position is a radical shift from De Gaulle's defense policy and that the national interests of France are not served by playing up to the "aggressive" NATO bloc.

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[redacted] The Soviet press has devoted much attention to criticism of Mery's proposal by both the right and left in France--particularly contentions by former prime minister Pierre Messmer, a Gaullist, that the proposal is a 10-year setback, and assertions by the French Communist daily *l'Humanite* that it constitutes a "potentially fatal risk" for France.

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[redacted] *Pravda* points out that the French military budget is projected to double by 1982, but the article shows more indignation over the idea that in a conflict French troops could participate in forward battle areas and that a greater emphasis would now be put on conventional forces. The article cites French media com-

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ments that the so-called doctrine of "defense in all directions" has been replaced by one oriented to an expanded security zone between France and the communist countries.

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[] French authorities deny that any significant doctrinal changes have been made, but Mery's remarks have sharpened Soviet concern about France's military relationship with NATO. This concern--even before Mery's remarks--led Soviet chief of staff Kulikov to raise the matter during French army chief of staff Lagarde's recent visit to Moscow.

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[] The "special relationship" between the USSR and France has been deteriorating for some time; the promulgation of a policy seen by the Soviets as establishing closer French ties to NATO has increased the intensity of Moscow's criticism.

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[] Moscow carefully noted that publication of Mery's pronouncements immediately preceded his current visit to China. The Soviets have not yet directly criticized French President Giscard, who recently made statements similar to Mery's and who is ultimately responsible for the overall policy. If the alleged new French-NATO relationship is as upsetting to the Soviets as their public comments suggest, this restraint may soon end.

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EC

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[] //The issue of EC representation at the economic summit in Puerto Rico later this month has become a new source of division within the Community and may dominate today's meeting of EC foreign ministers in Luxembourg.//

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[REDACTED] //One of the major issues in Puerto Rico--international monetary cooperation--is the subject of an important initiative planned by the Dutch, who assume the EC presidency on July 1 for six months. A Ministry of Finance official has said that The Hague plans to seek an EC agreement on guidelines for floating currencies.//

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[REDACTED] //The Luxembourg meeting is one of the foreign ministers' "informal" get-togethers, and it was expected to focus on scheduling direct elections to the European Parliament. This will probably be touched on today, but a final decision on the allocations of seats will probably not be reached until the Community heads of government hold their summit next month.

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FRANCE - WEST GERMANY

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[REDACTED] //Relations between France and West Germany could be soured by disagreement over a Berlin-related issue, and the US could be left in the middle.//

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[REDACTED] //At issue is whether the West German federal prosecutor, the equivalent of the US attorney general, should personally prosecute the kidnapers of Peter Lorenz, then candidate for mayor of West Berlin, and whether the trial should be held in West Berlin.//

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[REDACTED] //The West Germans want the trial in West Berlin, although they and the other allies realize that the Soviets would no doubt raise objections. The Soviets would probably claim that the presence of the federal prosecutor represents an attempt by Bonn to govern in West Berlin and that the trial would violate the quadripartite agreement on Berlin.//

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[REDACTED] //If Paris sticks to its decision, bilateral relations could sour. The West German government is concerned about possible domestic political problems if the case is not tried in West Berlin, as there is great press interest in it. The opposition will probably try to make a campaign issue out of West Berlin and would almost certainly seek to exploit the Lorenz case.//

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[REDACTED] //The West Germans may seek US and possibly British support.//

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[REDACTED] //There is another way out for the West Germans: a direct appeal by Chancellor Schmidt to President Giscard for the latter to overrule Foreign Minister Sauvagnargues. It appears that Schmidt and Giscard may take up the case when they hold their biannual meeting in Hamburg on July 5 and 6. [REDACTED]

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